10/30/2004 For Six Month Period Ending I - REGISTRANT 1. (a) Name of Registrant (b) Registration No. No.4860 Office Deputy Commissioner of Maritime Affairs (c) Business Address(es) of Registrant Vanuatu Maritime Services Limited 39 Broadway, Suite 2020 New York, NY 10006 2. Has there been a change in the information previously furnished in connection with the following: (a) If an individual: (1) Residence address(es) No 🗵 Yes \square CRM/ISS/REGISTRATION UNI (2) Citizenship Yes \square No 🔻 (3) Occupation Yes \square No 🗷 (b) If an organization: (1) Name Yes No 🔻 (2) Ownership or control Yes 🗌 No 🗷 (3) Branch offices Yes \square (c) Explain fully all changes, if any, indicated in items (a) and (b) above. IF THE REGISTRANT IS AN INDIVIDUAL, OMIT RESPONSE TO ITEMS 3, 4 AND 5(a). 3. If you have previously filed Exhibit C¹, state whether any changes therein have occurred during this 6 month reporting period. Yes No 🔲 If yes, have you filed an amendment to the Exhibit C? Yes 🗌 No **≭** If no, please attach the required amendment.

¹ The Exhibit C, for which no printed form is provided, consists of a true copy of the charter, articles of incorporation, association, and by laws of a registrant that is an organization. (A waiver of the requirement to file an Exhibit C may be obtained for good cause upon written application to the Assistant Attorney General, National Security Division, U.S. Department of Justice, Washington, DC 20530.)

Your If yes, furnish the following Name 5. (a) Has any person named in the following Name	Position Pos	ors or similar officials during Citizenship Ces directly in furtherance of t	this 6 month reportin	Date assumed
(b) Have any persons becor Ye If yes, furnish the following Name 5. (a) Has any person named i	me partners, officers, directes \(\sum \ No \(\subseteq \) information: Residence address	ors or similar officials during Citizenship Ces directly in furtherance of t	this 6 month reportin	ng period? Date assumed
If yes, furnish the following Name 5. (a) Has any person named i	in item 4(b) rendered services \(\begin{array}{c} \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	Citizenship ces directly in furtherance of t	Position	Date assumed
Name 5. (a) Has any person named i Yes	Residence address in item 4(b) rendered services \(\sum_{\text{No}} \sum_{\text{No}} \sum_{\text{No}} \sum_{\text{No}} \sum_{\text{No}} \sum_{\text{No}} \sum_{	ces directly in furtherance of t		assumed
5. (a) Has any person named i	address in item 4(b) rendered services □ No ⊠	ces directly in furtherance of t		assumed
	s No 🗵	·	the interests of any for	reign principal?
Yes	s No 🗵	·	intologie of any los	e-Su humerher:
If yes, identify each such pe	erson and describe his servi			
		ce.		
	individuals, who have filed strant during this 6 month	I a short form registration stater reporting period?	•	ir employment or
If yes, furnish the following	information:			
Name	Position or co	nnection	Date terminated	i
or will render services to		rant hired as employees or in urtherance of the interests of a No		
If yes, furnish the following	information:			
Name	Residence address	Citizenship	Position	Date assumed
6. Have short form registratio	n statements been filed by	all of the persons named in Ite Yes □ No [he supplemental statement?

II - FOREIGN PRINCIPAL

7. Ha	s your cor	nection with any for			g this 6 mon	th reporting	period?		
T.C.	aa fi!:1			No 🗵					
•		the following inform	nation:						
Na	ime of for	eign principal				I	Date of termina	ition	
9 Ha	O II								
8. Па	8. Have you acquired any new foreign principal² during this 6 month reporting period? Yes □ No ▼								
If y	es, furnisl	the following inform	nation:						
Na	me and a	ddress of foreign prin	cipal			Ι	Date acquired		
9. In addition to those named in Items 7 and 8, if any, list foreign principals² whom you continued to represent during the 6 month reporting period.									
-	The Republic of Vanuatu								
		·-MOS							
10.	EXHIB	ITS A AND B							
	(a)	Have you filed for	each of the newl	y acquired	d foreign pri	ncipals in Ite	em 8 the follow	ving:	
		Exhibit A ³	Yes 🔲]	No 🗵				
		Exhibit B ⁴	Yes 🗌	1	No 🗵				
		If no, please attach	the required exh	iibit.					
	(b)	Have there been ar represented during			A and B pre	viously filed Yes [n principal whom	you
			-		ohihit-9				
		If yes, have you fil	eu an amendmer	ii to inese	exmons?	Yes [140	×	
		If no, please attach	the required am	endment.					

² The term "foreign principal" includes, in addition to those defined in Section 1(b) of the Act, an individual organization any of whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign government, foreign political party, foreign organization or foreign individual. (See Rule 100(a) (9).) A registrant who represents more than one foreign principal is required to list in the statements he files under the Act only those principals for whom he is not entitled to claim exemption under Section 3 of the Act. (See Rule 208.)

³ The Exhibit A, which is filed on Form NSD-3 (Formerly CRM-157), sets forth the information required to be disclosed concerning each foreign principal.

⁴ The Exhibit B, which is filed on Form NSD-4 (Formerly CRM-155), sets forth the information concerning the agreement or understanding between the registrant and the foreign principal.

III - ACTIVITIES

	During this 6 month reporting period, have you engaged in any named in Items 7, 8, and 9 of this statement?		or rendered any services to any foreign principal No
If	If yes, identify each such foreign principal and describe in full	l detail your a	ctivities and services:
T	The office of deputy Commissioner, c/c Vanuatu Maritime Se	ervices LTD., i	s responsible for the promotion of the registration of
١	vessels under the Flag of Vanuatu. Part of our services is to o	contact indivi	iduals among the ship industry by letter, fax, phone,
•	e-mail, or visits to inform them of Vanuatu ship registry.		
٧	We prepare officials documents on behalf of the Vanuatu Go	overnment fo	r ship owners and financial institutions.
12. D	During this 6 month reporting period, have you on behalf of an Yes ☐ No ☒	ny foreign prir	ncipal engaged in political activity as defined below?
the ar	If yes, identify each such foreign principal and describe in full the relations, interests and policies sought to be influenced and arranged, sponsored or delivered speeches, lectures or radio and names of speakers and subject matter.	the means em	aployed to achieve this purpose. If the registrant
	In addition to the above described activities, if any, have you en your foreign principals? Yes No		ivity on your own behalf which benefits any or all of
If	If yes, describe fully.		

⁵ The term "political activities" means any activity that the person engaging in believes will, or that the person intends to, in any way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

IV - FINANCIAL INFORMATION

14.	I. (a) RECEIPTS -MONIES During this 6 month reporting period, have you received from any foreign principal named in Items 7, 8, or 9 of this statement, or from any other source, for or in the interests of any such foreign principal, any contributions, income or mon either as compensation or otherwise? Yes ⊠ No □					
		If no, explain why.				
		, ,				
		If yes, set forth below	in the required detail and	separately for each fo	reign principal an account	of such monies ⁶ .
		Date	From whom	Purpose		Amount
		05/01/2004- 10/30/2004	Republic of Vanuatu	contract six mor	ith stipend	360,000.00
						360,000.00
						Total
	(b)				fund raising campaign ⁷ , an ☐ No ⊠	y money on behalf of any
		If yes, have you filed a	an Exhibit D ⁸ to your reg	istration? Yes [□ No □	
		If yes, indicate the date	e the Exhibit D was filed.	Date		
	(c)		eporting period, have you r 9 of this statement, or fr		value ⁹ other than money fr for or in the interests of any	
		If yes, furnish the follo	_			
		Name of foreign principal		Description of thing of value	Purpos	e

^{6, 7} A registrant is required to file an Exhibit D if he collects or receives contributions, loans, money, or other things of value for a foreign principal, as part of a fund raising campaign.

⁽See Rule 201(e).)

8 An Exhibit D, for which no printed form is provided, sets forth an account of money collected or received as a result of a fund raising campaign and transmitted for a foreign principal.

9 Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

15. (a) DISBURSEMEN	

During this 6 month reporting period, have you

- (1) disbursed or expended monies in connection with activity on behalf of any foreign principal named in Items 7, 8, or 9 of this statement? Yes

 No □
- (2) transmitted monies to any such foreign principal? Yes ☒ No ☐

If no, explain in full detail why there were no disbursements made on behalf of any foreign principal.

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies, including monies transmitted, if any, to each foreign principal.

Date	To whom	Purpose	Amount
05/01/2004- 10/30/2004	Vendors	Office expenses	141,606.63
05/01/2004- 10/30/2004	Vendors	Travel expenses	4,273.78
05/01/2004-	Vendors	Entertainment	5.00
10/30/2004		A.1	932.77
05/01/2004- 10/30/2004	Vendors	Advertising	237,055.09
05/01/2004- 10/30/2004	Vendors]	Employee Expenses	237,055.09
	Transfreed funds		
			192, 300.43
05/01/2004- 10/30/2004	Republic of Vanuatu	Fees	1

\$ 576,173.70
Total

(b)	During this 6 mon connection with a		ive you disposed of anyth ny foreign principal name	ing of value ¹⁰ other than mone d in Items 7, 8, or 9 of this sta	
	If yes, furnish the	following information	:		
	Date disposed	Name of person to whom given	On behalf of what foreign principal	Description of thing of value	Purpose
					·
(c)	During this 6 mon other person, mad or in connection v	e any contributions of	eve you from your own fu money or other things of on, convention, or caucus	nds and on your own behalf ei value ¹¹ in connection with an held to select candidates for p	election to any political office,
	If yes, furnish the	following information	:		
	Date	Amount or thing of value	Name politi organiz	cal	Name of candidate

V - INFORMATIONAL MATERIALS

16.	During this 6 month repor Yes ⊠	٠.	eriod, did you prepa No 🔲	ire, disser	minate or cause to	be disseminated a	nny informational material	s ¹² ?
	IF YES, RESPOND TO T	THE F	EMAINING ITEM	S IN SEC	CTION V.			
17.	Identify each such foreign	princ	ipal.					
	The Republic of Vanuatu	•	1					
	•							
10	During this 6 month repor	tima m	ariad has any farai		nal actablished a b	udget er ellegeted	a analified aum of monor	to
10.	finance your activities in j					Yes	No ⊠	ω
	If yes, identify each such	foreig	n principal, specify	amount.	and indicate for w	hat period of time	_	
			p	,		P	•	
19.	During this 6 month repormaterials include the use of			ities in p	reparing, dissemin	ating or causing t	he dissemination of inform	national
	Radio or TV		Magazine or news	oaper	☐ Motion pictu	ure films	Letters or teleg	ams
	broadcasts		articles	-	-		_	
	Advertising campaigns		Press releases		☐ Pamphlets o	r other publication	ns	eches
	Internet	×	Other (specify)	a quarter	ly update			
20.	During this 6 month report following groups:	ting p	eriod, did you disse	minate or	cause to be disser	ninated informati	onal materials among any	of the
	Public officials		☐ News	spapers		☐ Lib	raries	
	Legislators		☐ Edito	rs		☐ Edu	cational institutions	
	Government agencies		☐ Civic	groups c	or associations	☐ Nat	ionality groups	
×	Other (specify) cur	rent a	nd potential ship o	wners				
21.	What language was used i	n the	nformational mater	ials:				
П	English				☐ Other (sp	ecify)		
	-							
	Did you file with the Regi							
diss	seminated or caused to be d	ıssem	inated during this 6	month re	porting period?	Yes	No 🗷	
23.	Did you label each item o			rials with	the statement requ	uired by Section 4	(b) of the Act?	
	Yes		No 🗷					

¹² The term informational materials includes any oral, visual, graphic, written, or pictorial information or matter of any kind, including that published by means of advertising, books, periodicals, newspapers, lectures, broadcasts, motion pictures, or any means or instrumentality of interstate or foreign commerce or otherwise. Informational materials disseminated by an agent of a foreign principal as part of an activity in itself exempt from registration, or an activity which by itself would not require registration, need not be filed pursuant to Section 4(b) of the Act.

VI - EXECUTION

In accordance with 28 U.S.C. §1746, the undersigned swear(s) or affirm(s) under penalty of perjury that he/she has (they have) read the information set forth in this registration statement and the attached exhibits and that he/she is (they are) familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his/her (their) knowledge and belief, except that the undersigned make(s) no representation as to the truth or accuracy of the information contained in the attached Short Form Registration Statement(s), if any, insofar as such information is not within his/her (their) personal knowledge.

(Date of signature)	(Type or print name under each signature 13)		
Meth C. Brack	ARTHUR C BJORKNER		

CRM/ISS/REGISTRATION UNIT

UNITED STATES DEPARTMENT OF JUSTICE FARA REGISTRATION UNIT NATIONAL SECURITY DIVISION WASHINGTON, D.C. 20530

NOTICE

Please answer the following questions and return this sheet in triplicate with your Supplemental Statement:

1. former	•	wer to Item 16 of S M-154/Supplement		l Materials – page 8 of Fo	NSD-2,
	YES		or NO	· · · · · · · · · · · · · · · · · · ·	1887/8 Maria
(If you	ir answer to	question 1 is "yes"	do not answer question	2 of this form.)	-2 MI
2.	Do you dis	seminate any mater	ial in connection with y	our registration:	:: 29
	YES		or NO		•
films,				review copies of all mate hich you have disseminat	
Sign	L Bjag nature	h	07/10/200 Date	<u>9</u>	

ARTHUR C. BJORKNER
Please type or print name of
Signatory on the line above

SVP/DCMA Title





U.S. Department of Justice

National Security Division

Washington, DC 20530

THIS FORM IS TO BE AN OFFICIAL ATTACHMENT TO YOUR CURRENT SUPPLEMENTAL STATEMENT - PLEASE EXECUTE IN TRIPLICATE

SHORT-FORM REGISTRATION INFORMATION SHEET

SECTION A

The Department records list active short-form registration statements for the following persons of your organization filed on the date indicated by each name. If a person is not still functioning in the same capacity directly on behalf of the foreign principal, please show the date of termination.

Short Form List for Registrant: Office of the Deputy Commissioner of Maritime Affairs

Last Name	First Name and Other Names	Registration Date	Termination Date	Role
Sheetz	Donald J.	10/12/1993	N/A Depu	ity commusioner
Rescigno	Dorothy A.	01/04/2008	NIA Depu	ty commissioner
Bjorkner	Arthur C.	01/04/2008	NIA DEDW	ty commissioner

CRIM/ISS/REGISTRATION UNIT



U.S. Department of Justice

National Security Division

Washington, DC 20530

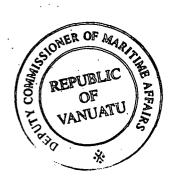
SECTION B

In addition to those persons listed in Section A, list below all current employees rendering services directly on behalf of the foreign principals(s) who have not filed short-form registration statements. (Do <u>not</u> list clerks, secretaries, typists or employees in a similar or related capacity). If there is some question as to whether an employee has an obligation to file a short-form, please address a letter to the Registration Unit describing the activities and connection with the foreign principal.

Name		Function		Date Hired		
Dorothy A. Rescigno		Deputy Commissioner		01/23/1990		
Arthur	c. Bjorkner	Daputy	Commissioner	10109106		
			<u> </u>			
	•					

Signature: March Date: 7/10/09

Title: Dépaty Commissioner et Maintime Affairs



7000 NOV -2 AM II: 29

	<u>May-04</u>	<u>Jun-04</u>	<u>Jul-04</u>	<u>Aug-04</u>	<u>Sep-04</u>	<u>Oct-04</u>	Totals
OPERATING EXPENSES		•				•	
Rent - 39 Broadway	0.00	0.00	0.00	0.00	0.00	0.00	
Rent - Offsite Storage 42 BROADWAY	68.30	68.30 12,823.73	68.30 11,482.94	68.30 11,731.52	68.30 11,731.52	68.30 11,731.52	409.80 70,924.43
R.E. Taxes-42 BROADWAY	11,423.20 0.00	0.00	0.00	0.00	0.00	0.00	0.00
FARA Reg fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Misc. Fees - 42 BROADWAY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Insurance -Allied Risk Consult	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- Insurance -Building & Contents Insurance - Liability	0.00 0.00	0.00 0.00	0.00	772.20 0.00	0.00	0.00 0.00	772.20 0.00
Insurance - Workmen's Comp	50.00	50.00	100.00	148.65	282.20	437.43	1,068.28
Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Computer Equipment	79.72	507.97	0.00	63.10	0.00	1,738.49	2,389.28
Computer Software Computer Maintenance	3,723.53 1,675.75	3,000.00 600.00	0.00 0.00	0.00 0.00	0.00 1,800.00	3,026.47 600.00	9,750.00 4,675.75
Computer Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Copier - Rental	823.74	823.74	823.74	823.74	0.00	1,158.37	4,453.33
Fax - Rental	96.67	96.67	0.00	0.00	0.00	0.00	193.34
Postage Meter - Rental US Postal Servi ce-Reset Meter	0.00	0.00 0.00	408.26 0.00	0.00 0.00	240.39 416.41	0.00 0.00	648.65 1,446.41
Telephone System	1,030.00 0.00	0.00	0.00	0.00	0.00	824.51	824.51
Prof.Fees - Accounting	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LICENSES AND PERMITS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PAYROLL SERVICE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Repairs & Maintenance Deprication Expense	1,113.41 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	1,113.41 0.00
Donations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subscriptions	0.00	0.00	0.00	0.00	725.00	0.00	725.00
Dues - Annual	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Off.Sup. Long Distance Phone	2,209.03 0.00	1,851.95 3,633.69	2,861.87 0.00	2,554.37 241.63	0.00 2,269.75	0.00 0.00	9,477.22 6,145.07
Fax Charges	446.43	0.00	0.00	0.00	103.54	103.54	653.51
Courier Charges - General Office	5,550.64	2,956.14	2,202.78	4,101.88	2,751.43	3,952.72	21,515.59
Messenger Service - General Offic	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Postage	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Outside services Special Printing	0.00 3,546.41	0.00 874.44	0.00 0.00	0.00 0.00	0.00	0.00 0.00	0.00 4,420.85
Vanuatu Sales Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Corp.Income Tax Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL OPERATING EXPENS	31,836.83	27,286.63	17,947.89	20,505.39	20,388.54	23,641.35	141,606.63
TRAVEL EXPENSES						•	
Travel expenses	314.00	0.00	0.00	0.00	612.50	648.23	1,574.73
Lodging	0.00	0.00	0.00	0.00	0.00	0.00 ·	
Food & beverage	0.00	190.77	0.00	0.00	0.00	33.28	224.05
Attendance Fees	165.00	1,050.00	0.00	0.00	1,260.00	0.00	2,475.00
TOTAL TRAVEL EXPENSES	479.00	1,240.77	0.00	0.00	1,872.50	681.51	4,273.78
<u>ENTERTAINMENT</u>						CRM/	20
Entertainment expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tips & Gratuities	0.00	0.00	5.00	0.00	0.00		5.00
TOTAL ENTERTAINMENT E	0.00	0.00	0.00	0.00	0.00	0.00 0.00 0.01 0.00 0.00 0.00	0.00
ADVERTISING						33 A	empresses constitue and approximate and approx
Advertising	0.00	0.00	932.77	0.00	0.00	0.00	932.77
Maritime Bulletins	0.00	0.00	0.00	0.00	0.00	0.00	0.00
News Letter	0.00	0.00	0.00	0.00	0.00	$0.\overline{00}$	0.00
Brochure	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Fact Files Give Aways	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00	0.00 0.00
Exhibit -Transport	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL ADVERTISING EXPE	0.00	0.00	932.77	0.00	0.00	0.00	932.77
TOTAL OPERATING EXPENS	32,315.83	28,527.40	18,880.66	20,505.39	22,261.04	24,322.86	146,813.18
EMPLOYEE EXPENSES	,		20,00000	,.	,	_ 1, _	110,012110
Insurance	4,227.63	4,227.63	4,895.17	5,476.78	5,099.53	5,272.42	29,199.16
Payroll Expenses	2,378.32	2,378.32	2,378.32	2,378.32	2,378.32	1,994.95	13,886.55
Salary Expense Employer 401k Contribution	31,714.56 603.82	31,708.38 603.82	31,708.38 693.82	31,708.38 603.82	31,708.38 603.82	⁷ 31,708.38 603.82	190,256.46 3,712.92
TOTTAL EMPLOYEE EXPEN	38,924.33	38,918.15	39,675.69	40,167.30	39,790.05	39,579.57	237,055.09
TOTAL EXPENSES	\$38,924.33	\$38,918.15	\$39,675.69	\$40,167.30	\$39,790.05	\$39,579.57	237,055.09
TRANSFERS TO GOVERNMENT			·	-		•	,
	-	12 050 00	(540 (0	£ 505.00	E 0.75.00	50.5 0.0	#70.000 (0
MARINE INVESTIGATION MARINE PARTICIPATION RESIDUAL ANZ BANK	7,975.00 1,245.00 31,032.32	13,050.00 950.12 18,967.84	6,543.68 269.28 34,301.44	6,525.00 237.16 13,209.88	5,075.00 694.40 51,308.76	725.00 0.00 190.55	\$39,893.68 \$3,395.96 \$149,010:79
TOTAL SENT TO GOVT.	\$40,252.32	\$32,967.96	\$41,114.40	\$19,972.04	\$57,078.16	\$915.55	\$192,300.43



VMS LTD. VANUATU



3/04

Jul/Sep 2004

This Update is intended to keep our friends informed about what's new at VMSL and in Vanuatu.

VANUATU ISPS FLEET UPDATE

The July 1 deadline has come and gone. While I would like to boast that all Vanuatu vessels are in compliance, I cannot do that. As of July 9 only 95% of the ISPS impacted vessels had submitted their Ship Security Plans for approval; just 67% had been issued ISSCs. Admittedly some of the vessels that are "tardy" are undergoing major refits or are laid up, but that doesn't disguise the fact that Vanuatu ships are not 100% compliant. On the bright side, only one Vanuatu vessel has been detained to date for failure to comply. We did receive a limited number of requests for extensions immediately prior to July 1, all of which we denied. On a lighter note, one owner very proudly notified us on June 28 that he had just completed preparation of his SSP and was submitting it to the RSO for review and approval. I think the clocks in his office might be 6 months slow.

GROSS/NET TONNAGE AND INTERIM SCHEME VESSELS - ISPS

It was recently reported in the maritime press that the UK had difficulties with some ships that were claiming they were not required to comply with the ISPS requirements because the "net" tonnage of the vessel was below 500. Would he who believes this, please come forward... I have a bridge for sale. Somebody was either joking or truly did not understand the threshold levels – 500 "gross" tons -- for compliance with ISPS.

On the other hand some port state security organizations do not understand the definition of interim scheme vessels that were permitted by IMO resolutions and national policy to retain their original tonnage for the life of the vessel. There are a number of these vessels – mainly small coastal trading vessels and offshore supply vessels operating worldwide – whose ITC 69 tonnage may exceed 500 tons gross tonnage but whose "regulatory" tonnage is less than 500 gross registered tons. For further clarification on this issue, or to counter any port state security demands that your interim scheme vessel must comply with ISPS, check out IMO Assembly Resolution A.494 (XII), Resolution A.540 (13) and Resolution A.541 (13). And let us know if your interim scheme vessels are challenged.

FLEET / SAFETY LETTERS

Two Fleet / Safety Letters were issued during the last quarter. FSL 04068 provided an update on ISPS matters. Key sections of the letter discussed PSC actions and "clear grounds" for taking action; emergency email address for security matters (shipsecurity@vanuatuships.com); and the designation of vessel owners to receive Ship Security Alert System alerts in accordance with SOLAS Chapter XI-2, Regulation 6.

FSL 04069 provided updated personal injury and casualty report forms. These forms along with both FSLs can be downloaded from our website www.vanuatuships.com.

A PLEA FROM OUR SEAFARER DOCUMENTATION ADMINISTRATORS

- When new personnel are assigned to ships, owners must closely check the documents they are submitting.
- Make sure all licenses, endorsements, training certificates, photos, letters of reference, evidence of sea time over the last 5 years, recent and complete medicals, etc., are included. If an applicant has not provided all the appropriate documents, wait until you receive everything before submitting it. Do not send it in incomplete.
- Sections VII and VIII must be signed by the applicant and countersigned by the company senior personnel representative. Applications missing these signatures will be rejected and returned or destroyed.
- A least one photograph must be securely affixed (stapled or glued) to the application in the space provided. Too often photographs that are only clipped come loose in transit and go missing.

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• If medical exams are not conducted in accordance with the MED 1 medical report form, the application may be rejected. If the medical exam is over a year old, the application will be rejected. Likewise, if the applicant's blood pressure, eyesight or hearing fail to measure up to the parameters specified in the Maritime Regulations, the application will be rejected.

MORE FLIGHTS TO VANUATU FROM 1 JULY 2004

Air Vanuatu has inaugurated additional flights from Australia and New Zealand. There are now daily flights (except Tuesdays) from Sydney and flights Tuesday, Friday, Saturday and Sunday from Brisbane. From Auckland there are flights on Thursday, Saturday and Sunday. The schedule continues to be concentrated on the weekends as that is when most tourists want to come to tropical Vanuatu.

VIRGIN TO COMMENCE FLYING TO VANUATU

Pacific Blue, an offshoot of Virgin Blue, itself an offshoot of Virgin Airlines is shortly commencing air service to Vanuatu from Brisbane and Melbourne and is offering very competitive fares. Air Vanuatu has reacted by lowering its fares to compete. The winners will be the local hotels (which are currently full due to the TV filming of the next "Survivor" episode here) and the local economy which caters to the tourism industry.

ENTENTE CORDIALE

One hundred years of *Entente Cordiale* between France and England was celebrated in Port Vila in May. Following the original signing in 1904, the Condominium of the New Hebrides was formed in 1906 (things took a while in those days) as the world's first (and subsequently the only) working Condominium form of government – half English and half French. Today both former colonial powers continue to be very influential, with both English and French being official languages.

MILLENNIUM CHALLENGE

Vanuatu has been listed as just one of 16 countries in the world to qualify for the new USA Millennium Challenge, and is the only country in the pacific region. The US government has offered US\$1billion this fiscal year (growing to 3 billion next year and 5 billion the third year) in grants for economic projects which will raise the standard of living in the listed countries. Each country must submit its projects for consideration. The projects can be either government or private sector and need to show how they will raise the living standards and be economically profitable.

VANUATU INTERNATIONAL SHIPPING REGISTRY PASSES 600 MARK

The Vanuatu international shipping registry now has over 600 vessels flying the Vanuatu flag throughout the world. Considering the remoteness of Vanuatu and the lack of resources of its government, this is an outstanding achievement. This success reflects Vanuatu's reputation at the International Maritime Organization for full compliance with international conventions and high safety standards, and has made Vanuatu one of the leading registries in the world. Vanuatu has built a reputation of high standards and high levels of service which are equal to the best in the world. I quote our Executive Chairman, Mr. Tom Bayer, when he wrote to congratulate us: "Vanuatu Maritime Services Limited, and Dr. James Cowley, our permanent representative at IMO, get our votes of thanks for outstanding jobs, well done." Thanks to you also, Tom, for your continued support of our efforts!

STAFF CHANGES IN OUR VILA OFFICE

After many years of service, Sue Phelps, Group Executive Director with primary responsibility for our Trust Division is retiring at the end of July and moving to Australia with her husband. She will be greatly missed both by clients and staff due to her ability to get things done in an efficient manner while keeping everyone happy. Many of her responsibilities will be taken over by David Outhred, currently Senior Vice President, Corporate Services. Charles Kleiman, Director and Financial Controller (and originally a trust officer) will be assuming overall responsibility for the trust division.

As one Phelps family member goes, another joins us. Tony Phelps, Sue's son, is rejoining the group after a 3 year stint in Melbourne, to head up our Vila office IT department with special responsibility for systems and systems training. If his time permits, he may also help with the trust operational side, as he is just completing his MBA.

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VMS LTD. VANUATU

UPDATE

4 / 04

Oct/Dec 2004

This Update is intended to keep our friends informed about what's new at VMSL and in Vanuatu.

VANUATU ISPS FLEET UPDATE

With the exception of a few laid-up vessels the Vanuatu fleet is essentially 100% up to date with regard to ISSCs.

FLEET / SAFETY LETTERS

Three Fleet / Safety Letters were issued during the third quarter and another is currently in production. FSL 04070 updates Vanuatu's positive Port State Control statistics; FSL 04071 addresses enclosed space entry; FSL 04072 provides a MODU licensing and documentation policy; and FSL 04073, currently in production, will discuss EPIRBs and emergency contact issues. Copies of the Fleet / Safety Letters may be found on www.vanuatuships.com.

RECENT NOTABLE HIGHLIGHTS

- The number of ships on the registry topped 600 during the last quarter.
- The number of ships on the registry from one owner, Tidewater, topped 200 in the last few months.
- The Japanese shipping company, INUI, owner of a number of Vanuatu flagged vessels, celebrated its 100th anniversary. Our best wishes to INUI for another 100 years!

MAIIF 13 AND MAIIF 14 AND OTHER MEETINGS

The 13th annual meeting of the Marine Accident Investigators International Forum was held in Capetown, South Africa, October 4 - 9, 2004. Over 30 administrations were represented including several new African members. Don Sheetz represented Vanuatu at this meeting and he remains the only member who has attended every MAIIF meeting since MAIIF's inception in 1992. The next meeting will be hosted by Vanuatu in Port Vila, August 29 - September 2, 2005, shortly after the 25th anniversary of the country.

Tom Horan will represent Vanuatu Maritime Services Limited at a meeting with all Taiwanese fishing vessel owners in Kaohsiung, Taiwan, October 26 - 27, 2004. The Vanuatu Minister of Fisheries and Agriculture will also participate in discussions on regional fisheries issues, regulatory compliance, casualties and quality management.

Look for Yudy Barba and Tom Horan at the *International Work Boat Show* in New Orleans, December 1 - 3, 2004. Call Yudy or Tom for a free VIP pass. VMSL will exhibit at CMA's *Shipping 2005* in March 2005 in Connecticut, and at *OTC* in May 2005 in Houston.

BRIDGE WATCHKEEPING

We salute Admiral Stephen Meyer of the UK's Marine Accident Investigation Branch for the recent study on bridge watchkeeping. Three far-reaching recommendations were presented to the UK MCA which will, no doubt, be debated at IMO. The recommendations are paraphrased below:

- All merchant vessels over 500 gt to have, as a minimum, a master and two licensed bridge watchkeepers;
- A dedicated lookout to be kept on the bridge at all times day and night (some exceptions being noted);
- STCW to be reviewed to include a bridge lookout as an effective and integral member of the bridge team. Copies of the study can be obtained directly from the MAIB or from this office.

JAPANESE LANGUAGE UPDATE

The **Summer 2004 Quarterly Update** is available in Japanese. Contact 101242.3160@compuserve.com for a copy. I am sure that Captain Grainger will be happy to send you one.

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MARPOL ANNEX VI - ENTRY INTO FORCE

Just in case you were wondering, Annex VI enters into force May 19, 2005.

PARIS MOU TARGETS LIVING CONDITIONS

From the Press: The Paris MOU on Port State Control announced a crackdown on substandard living and working conditions onboard ship. The inspection campaign will continue through 2004 and will focus on accommodations, hospital facilities, galley supplies and storage, hours of rest and working schedules. If the conditions do not comply with the ILO Convention standards, sanctions including the detention of a ship may be imposed. Please take heed!

VANUATU'S PRESIDENTIAL ELECTION

Vanuatu's presidential election, held every five years, was declared void after it was discovered the winning candidate had not completed a suspended sentence for misappropriation. Only indigenous citizens who do not have uncompleted court sentences are eligible to run for President. Both the Electoral Office and the Police Department (which does background checks on all candidates) failed to realize that the candidate was ineligible. A new election was then held by the Electoral College and, after several ballots over several days, Kalkot Mataskelekele, a retired local solicitor, and former judge, was elected as the new head of state. He brings an outstanding reputation to the position and is expected to be a guiding figure over the next five years.

DISSOLUTION OF PARLIAMENT

Five independent candidates associated with the Green Party and five other MPs in the government "crossed the floor" by signing a motion of no confidence in the Prime Minister. The Council of Ministers responded by resolving to dissolve Parliament and put the request to the Acting President of the Republic who declared Parliament dissolved. A court challenge of the dismissal by the opposition parties was unsuccessful; Parliament was dissolved and national elections were held on 6 July.

The national election resulted in a greater fracturing of the principal political parties. Twenty-three sitting members of Parliament, out of 52, lost their seats. The number of independents grew from 5 to 9, although some have since aligned with one party or another. There are now 13 parties with representation in Parliament. A new government has been formed and already the coalition membership has been realigned. Serge Vohor, a former Prime Minister, was elected Prime Minister, and is taking steps to shore up his electoral position.

ARCHAEOLOGICAL FIND

Road work near Port Vila uncovered an ancient burial site containing numerous skeletons of "Lapita" people, named after the decorative pottery they made. Lapita pottery has been used to trace migrations across the vast Pacific Ocean. The discovery of the 3,200 year old site changes the estimates of man's first arrival in Vanuatu by hundreds of years. The Lapita people originally came from what is now eastern Indonesia and the Philippines.

ARCHBISHOP OF CANTERBURY

The Archbishop of Canterbury, the Most Reverend Dr. Rowan Williams, visited Vanuatu during the last quarter. He made a special trip to Melanesia and visited not only the capital, Port Vila, but also remote islands in the north of the country. He described the visit as a pastoral one which he said was "exciting." It is the first time in almost 150 years of the Anglican Church in our islands that the Archbishop of Canterbury has paid a visit. He was met with both modern and Melanesian traditional custom dances.

SHANGHAI SISTER CITY

Port Vila's Ford Mayor recently visited Shanghai to celebrate the 10th Anniversary of the sister city relationship with Shanghai. This is truly a "David and Goliath" relationship, but one which should benefit Vanuatu greatly as China (and, in particular Shanghai) moves ahead economically. The mayor returned with an undertaking of economic assistance and announced that an economic delegation from Shanghai will be arriving in 2005. Project funding has already started. We look forward to the further development of this arrangement.

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